

United States Senate

COMMITTEES:
BANKING, HOUSING
AND URBAN AFFAIRS
FOREIGN RELATIONS
SPECIAL COMMITTEE ON AGING

May 14, 2014

The Honorable Ron Wyden
Chairman
Senate Committee on Finance
219 Dirksen Office Bldg.
Washington, DC 20510

The Honorable Orrin Hatch
Ranking Member
Senate Committee on Finance
219 Dirksen Office Bldg.
Washington, DC 20510

The Honorable Barbara Boxer
Chairman
Senate Committee on Environment
and Public Works
410 Dirksen Office Bldg.
Washington, DC 20510

The Honorable David Vitter
Ranking Member
Senate Committee on Environment
and Public Works
410 Dirksen Office Bldg.
Washington, DC 20510

Dear Colleagues,

I am strongly supportive of your efforts to pass a highway bill this year that meets our country's long-term infrastructure needs. However, it is critically important that the highway bill reauthorization honor the spending commitments we made to the American people in the Budget Control Act. As a result of that legislation, for the first time since the 1950s, discretionary government spending decreased for two straight years. The only way a highway bill reauthorization can meet our commitment to get our budget under control is to reestablish the long-standing practice of offsetting all spending out of the Highway Trust Fund (HTF) in the year in which it is spent.

In the last few years, Congress has allowed the HTF to become one of the largest budget gimmicks in the federal government. Spending from the HTF has far outpaced revenues in recent years, taking us away from our traditional user fee, pay-as-you-go transportation financing model. Instead of enacting a permanent solution to this problem, we have transferred more than \$50 billion of general fund money into the HTF to maintain funding levels, making a mockery of having a self-sustaining "trust fund." These transfers are also causing highway program spending to look more and more like an appropriated discretionary program but without any of the budget oversight Congress can exercise over other spending bills.

What is worse, most of this \$50 billion has not been offset. And where it was offset, the claimed pay-fors accrue over ten years while the transferred money was spent in one or two years. As a result, Congress is showing that it is willing to spend more money than it told the American people it would, violate our bipartisan spending agreements, and increase the deficit, all while taking us further away from a desperately needed long-term solution for highway program financing.

Spending from the HTF is projected to outpace revenues by over \$160 billion in the next decade. It is both impractical and dishonest to continue to deficit finance an increasingly large share of our infrastructure spending. There are two potential solutions to restoring integrity to the HTF: (1) increasing dedicated HTF user fees to match spending levels, or (2) reducing HTF spending to match dedicated HTF revenues. It is my belief that reducing spending to current HTF revenue levels would be damaging to our nation's infrastructure, competitiveness, and economic growth. Another alternative that would at least make Congress accountable for the increased spending is to offset HTF spending that exceeds revenues by reducing other government spending by an equal amount.

I cannot support a highway reauthorization bill of any length that does not abide by these principles. As you continue to craft a highway reauthorization bill, I hope that you will also include one of these responsible financing solutions. I know each of you is committed to finding a long-term solution to highway financing, and I would welcome the opportunity to work with you on this important matter.

Sincerely,



Bob Corker
United States Senator

Cc:

The Honorable Tim Johnson
Chairman, Senate Committee on Banking, Housing, and Urban Affairs

The Honorable Mike Crapo
Ranking Member, Senate Committee on Banking, Housing, and Urban Affairs

The Honorable Jay Rockefeller
Chairman, Senate Committee on Commerce, Science, and Transportation

The Honorable John Thune
Ranking Member, Senate Committee on Commerce, Science, and Transportation